
PUB. DOCUMENT.]

[Session 1869-'70.

ORDERED TO BE PRINTED.

MESSAGE FROM THE GOVERNOR.

EXECUTIVE DEPARTMENT OF N. C.

Raleigh, March 15th, 1870.

To the Honorable

the General Asssembly of North Carolina :

GENTLEMEN :—Under “An act to restore the credit of the State, and facilitate the construction of our unfinished Railroads,” ratified the 5th day of February, 1870, we have the honor to submit the following report :

We entered at once on our duties under this act. Notices were issued to the different Railroad Presidents, requiring them within twenty days from the service of the notice to report, under oath to the undersigned, a statement showing the following items :

1. What amount of bonds of the State was received by such President or other officer from the Public Treasurer, or from any predecessor in office of such President or other officer, with the respective date of such reception.

2. What amount of such bonds have been sold, in what markets, and at what prices, with the respective dates of such sales.

3. What amount of such bonds have been, or are now, hypothecated, to whom so hypothecated, when hypotheca-

ted, for what purpose, and what amount of money has been realized by such hypothecation.

4. What amount of such bonds remain on hand unsold, or have been turned over unsold to any successor of such President or other officer, and whether any interest, and if any, how much has been received by him on any unsold bonds of the State.

The Railroad Presidents aforesaid were also required, in accordance with section 3 of said act, to return to the Public Treasurer, subject to the joint order of the Governor and Superint'd't of Pub. Works, all bonds of the State which have been issued under any authority of law, and which remained in the hands of any such President or other officer unsold, or undisposed of; or in case any such bonds had been sold or exchanged for money or other securities, the said President or other officer were required to deposit in the Public Treasury such money, proceeds or securities, or so much thereof as he had not actually expended upon his road.

E. Belo, President of the Northwestern North Carolina Road, was notified on the 12th February, 1870, and reported to us and filed his statement on the 22d of the same month.

It appears by his statement that he has received of the Public Treasurer one million and eighty thousand dollars in bonds. They were received in October last. He has sold none and hypothecated none. He has received no interest on the bonds, and all of them have been returned to the Public Treasurer.

J. R. Stubbs, President of the Williamston and Tarborough Road, was notified February 11th, 1870, and reported to us and filed his statement on the 22d of the same month. It appears by his statement that on the 11th of November, 1869, he received three hundred thousand dollars in bonds. He sold these bonds for one hundred and sixty thousand nine hundred and forty-eight dollars and forty-seven cents. No account of sales is rendered. He

states that he has expended the proceeds of these bonds and has no money on hand.

William Sloan, President of the Wilmington, Charlotte and Rutherford Road, was notified February 11th, 1870, and reported to us and filed his statement March 2d. It appears by his statement that on the 13th of October, 1869, he received five hundred thousand dollars in bonds, and on the 17th of December, 1869, he received one million five hundred thousand dollars in bonds. He states he has sold none of these bonds; that he has hypothecated one hundred thousand dollars of them with the National Bank of Wilmington, four hundred thousand dollars of them with Henry Clews & Co., New York, two hundred thousand dollars of them with the "New York Guaranty and Indemnity Company," and one million of dollars of them with John F. Pickerell, New York, leaving three hundred thousand dollars of them in Bank unincumbered. One million of dollars in bonds is still in the Public Treasury, not having been called for or drawn out. He states he has paid no interest, except in coupons for the first six months on the bonds he received. No money and no bonds returned.

S. McDowell Tate, former President and Trustee of the Western North Carolina Road, reported to us and filed his statement on the 2d of March, 1870. It appears by his statement that he has received in bonds two millions and sixty-seven thousand and forty dollars; that he has sold these bonds at various times from October 7th, 1868, to February 1, 1870, at prices ranging from 67 5-8 to 24 cents in the dollar, making an average for all of 54 6-100; the whole amount realized for them being nine hundred and nine thousand eight hundred and thirty-one dollars and sixty-one cents. He states he has in the bank of the Republic three hundred and sixteen bonds of one thousand dollars each, pledged for a debt of forty-five thousand seven hundred and twenty-seven dollars and six cents.

A. J. Jones, President of the Western or Fayetteville Road, was notified February 11th, 1870, and reported to us on the 2d of March. He admits that he has received certain coupon bonds of the State, but says he is advised by counsel that these bonds are the property of the Western Railroad Company, and he respectfully declines to deliver them up. He states he has been enjoined in the name of the stockholders against returning these bonds or their proceeds, and that the suit is pending and undetermined.

M. S. Littlefield, President of the Western Division of the Western North Carolina Road, was notified February 12th, 1870, and reported and filed his statement on the 4th of March. It appears by his statement that he has received no bonds from the Public Treasurer, but that he has received orders and receipts for bonds from his predecessor, amounting in bonds to one million nine hundred and nineteen thousand dollars. He has received twenty of these bonds of one thousand dollars each. He has sold none of them. He states that he has been informed by parties holding these bonds that all the bonds but twenty of one thousand dollars each above mentioned, have been sold to make up for loans obtained on them by hypothecation with the parties aforesaid. He states there are other bonds in the hands of Soutter & Co., amount not stated, on which moneys have been advanced to him, which he has applied to the use of the Road. He says no interest has been received by him on coupons. He states that his predecessor received six millions three hundred and sixty-seven thousand dollars in bonds; that sales have been reported to him by his predecessor of three millions one hundred and thirty-two thousand dollars in bonds at from 62 1-2 to 43; that his predecessor has disposed of five millions two hundred and ninety-eight thousand dollars in bonds, leaving one million and sixty-nine thousand dollars in bonds unaccounted for. He says his predecessor has disbursed in cash one million five hundred and seventy-

seven thousand two hundred and fifty-one dollars and ninety-eight cents, leaving a cash balance against him of two hundred and twenty-six thousand three hundred and eighty-three dollars and seventy-two cents. He states he has in available collaterals from his predecessor one hundred and forty-six thousand nine hundred dollars, which are pledged to pay contractors for estimates now due. Besides this, there are investments by his predecessor in Railroad bonds of seven hundred and twenty-six thousand two hundred and eighty-one dollars and eighty-nine cents. He says he has no money on hand. The report is voluminous, accompanied by tables, which must be examined to be fully understood.

William Johnston, President of the Atlantic, Tennessee and Ohio Road, reported to us and filed his account March 7th, 1870. It appears by his statement that he received one million seven hundred and sixty thousand dollars in bonds on the 14th of September, 1869. He states that he has sold none, but that he has paid one hundred and sixty-three thousand dollars in bonds to compromise a suit against his Company. He has returned the balance of his bonds to the Public Treasurer.

Robert H. Cowan, former President of the Wilmington, Charlotte and Rutherford Road, was notified February 14th, 1870, and reported to us and filed his statement March 8th. It appears by his statement that he at one time received six hundred and twenty-one thousand dollars in bonds, which he disposed of for four hundred and five thousand one hundred and fifty-seven dollars and nineteen cents; that under an act of April, 1869, he received one million of dollars in bonds which he disposed of for four hundred and thirty-six thousand nine hundred and eighty-eight dollars and eighty-four cents. There are thirty bonds yet to be accounted for in the hands of Soutter & Co. It appears that one million of dollars in bonds were disposed of in 1869 at a fraction over 43 cents in the dollar, while

others were realizing between 50 and 60 cents for State bonds.

J. J. Mott, President of the Western North Carolina Road, was notified February 19th, 1870, and reported to us and filed his statement March 11th. It appears by his statement that he received six hundred and thirteen thousand dollars in bonds; that he has sold one hundred and seventy thousand in bonds, at prices ranging from 45 to 23 1-2; and that he has hypothecated with Clews & Co., and Soutter & Co., the remainder, four hundred and forty-three thousand dollars in bonds. The last sales were made in January, 1870. He has received no interest from the State on his bonds.

W. J. Hawkins, President of the Chatham Road, was notified February 15, and reported to us and filed his statement March 11th. It appears from his statement that he received August 20, 1868, one million two hundred thousand dollars in bonds, and October 19, 1868, two millions of dollars in bonds. He has sold one million five hundred and two thousand dollars in bonds, for which he received nine hundred and thirty-five thousand six hundred and thirty-seven dollars and twenty-nine cents. He has hypothecated forty-eight thousand dollars in bonds, and has returned to the Public Treasury one million six hundred and fifty thousand dollars in bonds. He declines to return the proceeds he has on hand, as he thinks contractors and creditors of the Road are entitled to them.

George W. Swepson, former President of the Western Division of the Western North Carolina Road, was duly notified February 12th, 1870, but he has made no report and filed no statement with us. It appears from the foregoing statement that four millions three hundred and twenty-seven thousand dollars in bonds have been returned to the Public Treasury.

We have endeavored to discharge our duties promptly and faithfully under the act. The act was ratified the 5th day of February, 1870, and within one month and ten days

we have been able to collect and present statements from all the Railroad Presidents but one. These statements will of course be carefully examined by the General Assembly. This is necessary to a clear and full understanding of them, as it was not practicable for us in the brief space allotted us, to do more than present a brief synopsis of them.

We have only to add in conclusion that our remaining duties under the act referred to will be performed to the best of our judgment and ability, and with an eye single to the welfare of the State.

We have the honor to be, gentlemen,

With great respect,

Your obedient servants,

W. W. HOLDEN,

Governor.

C. L. HARRIS,

Supt of Pub. Works.

STATE OF NORTH CAROLINA,

RALEIGH, Feb. 22d, 1870.

To His Excellency, W. W. HOLDEN, Governor of North Carolina, and to the Supt. of Public Works:

In compliance with an act of the General Assembly, entitled "An act to restore the credit of the State and facilitate the construction of our unfinished Railroads," the undersigned President of the Northwestern North Carolina Railroad, returns the following statement:

1st. The amount of bonds of the State received from the Public Treasurer, is Ten hundred and eighty bonds of one thousand dollars each. The date of reception was about the middle of October, 1869. . None were received from any predecessors or other officers.

2d. None of the bonds have been sold.

3d. None have been hypothecated.

4th. All the bonds remain on hand unsold. No interest has been received on any of the bonds.

C. BELO,

Pres. N. W. N. C. R. R. Co.

Sworn and subscribed before me this 22d day of February, 1870.

J. N. BUNTING,

Judge of Probate for Wake Co.

—
[“COPY.”]

STATE OF NORTH CAROLINA,

DEPART. OF PUBLIC WORKS,

Raleigh, Feb. 22d, 1870.

We do hereby certify that C. BELO, President of N. W. N. C. R. R. Co., has filed his statement as required by an act ratified the 5th day of February, 1870, entitled “An act to restore the credit of the State and facilitate the construction of our unfinished Railroads.”

[Signed.]

“

W. W. HOLDEN, Governor,

C. L. HARRIS, Sup. P. W'ks.

—
To His Excellency, W. W. HOLDEN, Governor of North Carolina, and HON. C. L. HARRIS, Superintendent of Public Works:

The undersigned, President of the Williamston and Tarboro' Rail Road Company, respectfully submits the following statement in compliance with the requirements of an act of the General Assembly, ratified on the 5th day of February, 1870, entitled “An act to restore the credit of

the State and facilitate the construction of our unfinished Railroads.”

1. On the 11th day of November, 1868, I received from the Public Treasurer, three hundred bonds of the State of North Carolina of the denomination of one thousand dollars each.

2. Of the bonds received on the 11th November, 1868, thirty-eight were sold on the 14th day of said month for twenty-five thousand dollars in currency, and two hundred and sixty-two were afterwards returned to the Treasury and a like number of bonds received in exchange under authority of an act of the General Assembly and sold on or about the 3d day of May, 1869, for one hundred and thirty-five thousand nine hundred and forty-eight 47-100 dollars, net, in curreecy. Both sales were made in the city of New York.

3. Have hypothecated no bonds.

4. Have no unsold bonds of the State on hand. None have been turned over to any person, and have received no interest on any unsold bonds of the State.

5. The expenditures for construction of road bed, purchase of iron, &c., &c., have been greater than the amounts received from sale of State bonds and collections from subscribers to the capital stock of the Company, and all the bonds received having been sold. I have no return to make under Sec. 3 of the act above referred to, either of bonds, money or other securities.

Respectfully submitted,

J. R. STUBBS,

Pres. W. & T. R. R. Co.

February 21st, 1870.

Sworn and subscribed before me this 22nd February, 1870.

J. N. BUNTING,

Superior Court Clerk of Wake County.

[“COPY.”]

STATE OF NORTH CAROLINA,

DEPARTMENT OF PUBLIC WORKS,

Raleigh, Feb. 22d, 1870.

We hereby certify that J. R. STUBBS, President Williamston and Tarboro' Railroad Co., has furnished or filed his statement as required by an act ratified on the 5th day of February, A. D., 1870, entitled “An act to restore the credit of the State, and facilitate the construction of our unfinished Railroads.”

[Signed.]

W. W. HOLDEN, Governor.

“

C. L. HARRIS, Sup. P. Wks.

RALEIGH, February 28th, 1870.

To His Excellency, GOV. W. W. HOLDEN, and C. L. HARRIS, Superintendent of Public Works:

In obedience to a notice served upon me, together with a copy of the law requiring a report, I beg leave to submit to you the following statement under oath:

1st. I received from the Public Treasurer on the 13th day of October, 1869, Five Hundred bonds of the denomination of One Thousand dollars each, dated April 1st, 1869, with the first coupon cut off and delivered to the Public Treasurer, and on the 17th of December I received through C. J. Cowles, Treasurer of the W. C. & R. R. Co., One Million Five Hundred Thousand dollars of the same kind or sort of bonds with the first coupons cut off and given to the Public Treasurer, making Two Millions in bonds that I have received from the State.

Of these bonds none have been sold or offered for sale by me or any Agent of mine or of the Company either directly or indirectly. But I hypothecated on the 5th of January, 1870, to the First National Bank of Wilmington, N. C., One Hundred Thousand dollars of these bonds for

a loan of Fifteen Thousand dollars, (\$15,000,) Five Thousand of which I have since paid, so that I now owe said Bank Ten Thousand dollars. This (\$15,000) went to pay R. Harvey for work on the road. Four Hundred Thousand dollars are placed in the hands of H. Clews & Co., as collateral security for a debt of Twenty-seven Thousand four hundred and two dollars and forty-three cents, (27,402,43) due them. These bonds were deposited with said Clews on the 21st of December, 1869. This money has been used in construction of the Road and in paying of employees. Two Hundred Thousand dollars of the bonds were deposited on the 10th day of January, 1870, with the New York Guaranty and Indemnity Company, together with One Hundred Thousand dollars of the 1st mortgage bonds of the Company, as collateral for a loan of Sixty Thousand dollars to pay the interest due upon the 1st mortgage bonds of the Company.

One Million of dollars of the bonds were deposited on the 20th January with John F. Pickerell, of New York, as collateral for the loan of Ninety Thousand dollars, (\$90,000) of which Sixty Thousand (\$60,000) was paid to the New York Warehouse and Security Company, for a debt created by my predecessor previous to the re-organization of the Company, and for which they held (\$200,000) Two Hundred Thousand Dollars of the 1st mortgage bonds of the Company as collateral and the remaining \$30,000 has been used in the construction of the Road and for interest on renewals to the Warehouse and Security Company for \$90,000 borrowed by my predecessor for which they hold Three Hundred Thousand dollars (\$300,000) of the 1st mortgage bonds of the Company as collateral security.

I have Three Hundred Thousand dollars (300,000) of the Bonds of the Company deposited in Bank unembarrassed in any way, and there yet remains in the hands of the Public Treasurer One Million of dollars of the Bonds of the State which have never been drawn.

WM. SLOAN,
Pres. W. C. & R. R. Co.

Sworn and subscribed to before me, this 2d day of March, 1870.

C. M FARRIS,
Justice of the Peace.

[“COPY.”]

STATE OF NORTH CAROLIA,
Department of Public Works,
RALEIGH, MARCH 2d, 1870.

We hereby certify that WM. SLOAN, President Wilmington, Charlotte & Rutherford Railroad, has reported under an Act, entitled and Act “To restore the credit of the State, and facilitate the construction of our unfinished Railroads.” Ratified the 5th day of February, A. D., 1870.

Report received this date at 4 o'clock, P. M.

[Signed.]

W. W. HOLDEN, Governor,
“ C. L. HARRIS, Sup. P. W'ks.

*To His Excellency, the Governor,
and Superintendent of Public Works :*

GENTLEMEN: I have the honor to submit to you, in response to the requirements of the Act of the Legislature, ratified the 5th day of February, 1870, the following report:

Various payments, in bonds, have been made by the State to the Western North Carolina Railroad Company, on account of her subscription of stock from the organization of the Company, in 1855, to the present time, which have been accounted for by the proper officers to the Stockholders in general meeting, and by the respective Presidents, from time to time, to the General Assembly, through the Governor.

Of these bonds, paid over to the Railroad Company, the following came into my hands as Trustee:

N. C. 6 per cent bonds, dated July 1, 1867,	\$ 650,000 00
N. C. 6 per cent bonds, dated January 1, 1868,	1,323,000 00
I "funded" coup. on 650 bonds, making	39,000 00
" " 1300 " "	39,000 00
I had remaining, after delivering Treas. Battle 5 coup. in adjusting interest due State,	540 00
Bought in New York, 15th December, 1868, 5 bonds,	5,000 00
Bought in New York, 16th December, 1868, 10 bonds,	10,000 00
Bought in New York, 1st February, 1870, 1-2 bond,	500 00
Total to be accounted for,	\$ 2,067,040 00

I have made the following dispositions of the bonds for the use and benefit of the Railroad Company:

1868							
Oct.	7	Sold by Soutter & Co.,	30 Bonds at 67	\$	20,100		
	19	" " "	158 " at 67 $\frac{1}{2}$		106,650		
	19	" " "	2 " at 67 $\frac{5}{8}$		1,352	50	
	19	" " "	5 " at 67 $\frac{3}{8}$		3,368	75	
	19	" " "	4 " at 67 $\frac{1}{4}$		2,690		
	22	" " "	1 " at 67 $\frac{5}{8}$		676	25	
	22	" " "	5 " at 67 $\frac{1}{2}$		3,375		
	24	" " "	5 " at 67 $\frac{1}{4}$		3,362	50	
	24	" " "	2 " at 67 $\frac{3}{8}$		1,347	50	
	28	" " "	10 " at 66 $\frac{1}{2}$		6,650		
	29	" " "	30 " at 66 $\frac{1}{4}$		19,875		
	29	" " "	21 " at 66		13,860		
Nov.	3	" " "	2 " at 67 $\frac{1}{2}$		1,350		
	3	" " "	10 " at 65 $\frac{1}{4}$		6,525		
	3	" " "	10 " at 65		6,500		
	16	" " "	69 " at 65		44,850		
	16	" " "	20 " at 64 $\frac{3}{4}$		12,950		
	17	" " "	10 " at 64 $\frac{1}{2}$		6,450		
	17	" " "	5 " at 64 $\frac{1}{4}$		3,212	50	
	17	" " "	5 " at 64		3,200		
	28	" Bank Republic,	40 " at 64		25,684	92	
	30	" Soutter & Co.,	20 " at 64 $\frac{1}{2}$		12,900		

Nov	30	Sold by Soutter & Co.,	5 Bonds at $64\frac{1}{4}$	3,212 50
	30	" " "	35 " at 64	22,400
	30	" " "	10 " at $63\frac{1}{4}$	6,325
Dec.	4	" " "	3 " at 64	1,920
	4	" " "	10 " at $63\frac{3}{4}$	6,375
	10	" " "	30 " at 63	18,900
	10	" " "	5 " at $62\frac{3}{4}$	3,137 50
	11	" " "	6 " at 62	3,729
	14	" " "	15 " at $60\frac{1}{2}$	9,075
	14	" " "	20 " at 60	12,000
	14	" " "	70 " at 58	40,600
	15	" " "	35 " at 60	21,000
	15	" " "	40 " at $60\frac{1}{4}$	24,100
	15	" " "	120 " at 60	72,000
	16	" " "	10 " at $62\frac{1}{4}$	6,225
	16	" " "	25 " at 62	15,500
	16	" " "	5 " at $61\frac{7}{8}$	3,093 75
Jan.	30, '69,	" " "	16 " at $61\frac{1}{2}$	9,840
Feb.	18	" " "	75 " at 59	44,250
Mar.	11	" " "	20 " at $59\frac{1}{2}$	11,900
	11	" " "	10 " at $59\frac{5}{8}$	5,962 50
April	23	Bank Republic,	113 " at $53\frac{1}{4}$	60,182 50
July	1	Soutter & Co.,	80 " at $53\frac{1}{4}$	42,600
	1	" " "	5 " at $53\frac{1}{2}$	2,675
	1	" " "	10 " at 53	5,300
Aug.	12	to Manhattan Oil Co.,	2 " "	
		to pay Debt,		
		by Soutter & Co.,	30 " at 60	1,200
Sept.	23	" " "	18 " at 45	13,500
Oct.	4	" " "	15 " at 45	8,100
	4	" " "	15 " at $44\frac{1}{2}$	6,675
	4	" " "	18 " at 43	7,740
	4	" " "	5 " at $43\frac{1}{2}$	2,175
	4	" " "	10 " at $41\frac{3}{4}$	4,175
	4	" " "	10 " at 41	4,100
	4	" " "	2 " at $40\frac{1}{2}$	810
	6	" " "	78 " at 40	31,200
	6	" " "	5 " at $42\frac{1}{2}$	2,125
Nov.	16	Bank Republic	40 " at $37\frac{7}{8}$	15,148 48
	20	" " "	13 " at 37	4,805 76
Jan.	31, '70,	Soutter & Co.,	35 " at 25	8,750
Feb.	1	" " "	4 " at $24\frac{1}{2}$	990
	1	" " "	5 " at $24\frac{5}{8}$	1,236 25
	1	" " "	81 " at $24\frac{1}{2}$	19,845
	1	" " "	30 " at $24\frac{1}{8}$	7,237 50
	1	" " "	45 " at 24	10,800

Total sales of Bonds, 1,683 average $54\frac{06}{100}$ \$909,831 61

Del'd to Dr. Mott for iron, 68 bonds.

*In Bank of the Republic 316 "

Coupons on hand, .040

2,067,040

*The Bank of the Republic advanced me some money and held the bonds there as collateral security for the balance due, say \$45,727.06, and I learn they have sold 14

of these 316 bonds reported as there, but I have not been notified in writing, and cannot give the exact amount of the sale. The proceeds is placed as a credit on the debt above spoken of.

As this report is made under oath, I desire to add that I believe it to be correct in every particular; that the sales were made publicly at the Board of Brokers; that I am not acquainted with the purchasers; that I have never had any interest in or benefit from any of these sales direct or indirect, nor any expectation of such; and further, I am satisfied that every thing was done in the interest of the Railroad Company in the sales by the Brokers and Bank.

I am very respectfully,

Your obedient servant,

SAML. McD. TATE.

Sworn to and subscribed before me this the 2nd day of March, 1870.

C. M. FARRISS, Jus. of Peace.

The bonds being held by the Bank of the Republic as security for the advancements made, I cannot deliver them to the Treasurer of the State, as provided in the act of 5th Feb'y, 1870, without the means to discharge the debt.

The proceeds of sales Bonds, as reported, have been disbursed by the Company, and none remaining in my hands.

The remaining Bonds received by the Company and not accounted for herein, will be accounted for by those having charge of the funds and books of the Company.

SAML. McD. TATE.

("COPY.")

STATE OF NORTH CAROLINA.

Department of Public Works.

RALEIGH, March 2nd, 1870.

We hereby certify that Samuel McD. Tate, Ex-President, Western N. C. Rail Road has reported under an Act

entitled an Act, to restore the credit of the State, and facilitate the construction of our unfurnished Railroads. Ratified the 5th day of February, A. D., 1870.

Report received at 5 o'clock, P. M., this date.

[Signed.]

W. W. HOLDEN, *Governor*.

“

C. L. HARRIS, *Sup't Pub. Wrks.*

STATE OF NORTH CAROLINA,

SENATE CHAMBER,

March 2d, 1870.

To His Excellency, W. W. HOLDEN, Governor, and C. L. HARRIS, Superintendnt of Public Works:

GENTLEMEN:—By virtue of the authority conferred in the act, entitled “An act to restore the credit of the State, and facilitate the construction of our unfinished Railroads,” (Ratified 5th day of February, A. D., 1870,) your Excellency has caused to be served on me, as the President of the Western Railroad Company, a notice to make the statement provided for in the first section of said act; and also to make the returns of bonds and the proceeds of the sale of bonds, &c., as provided in the third section of said act.

After having been duly elected President of the Western Railroad Company, I received from the Public Treasurer of the State certain coupon bonds of the State, *in payment of the subscription made by the State to the Capital stock of the said Railroad Company*, and I am advised that when the said bonds were delivered to me they became *the property of the said Western Railroad Company*, to be used by the officers of said Company, *solely*, for the purpose of building and equipping their said road, as provided for by the laws which authorized their issue.

I am further advised that my position of President, with relation to those bonds, is that of a *mere Trustee for the*

Western Railroad and its corporations, (of whom the State of North Carolina is one) and that my duties, as such Trustee, are clearly defined, and my powers strictly limited, by law, and that if I shall make any disposition of said bonds or their proceeds, not authorized by the several acts which make the charter of said Western Railroad, I will make myself individually responsible, to my *cestui que trust* for any loss or damage that they may sustain thereby.

I am also advised that the said bonds and their proceeds, being the property of the Western Railroad Company, cannot be legally surrendered to the Public Treasurer, or to any other person, without such surrender is ordered by a vote of a majority of the Stockholders of said Company in some meeting assembled, no such order has been made, nor is any such anticipated by me; on the contrary, on the 26th day of February, A. D., 1870, John M. Rose, of Fayetteville, N. C., "sueing in behalf of himself and the other Stockholders of the Western Railroad Company," commenced an action against me, as President of said Company, in the Superior Court of Cumberland County, in which it is alleged that I am about to return to the Public Treasurer the bonds of the State in his (my) hands yet unsold, and the money in his (my) hands arising from interest received, and the sale of bonds," and praying that I may be enjoined and restrained from so doing; which said action is now pending and undetermined, as by reference to the records in said Court will fully and at large appear.

For these reasons and for others, and under the advice of Council, I most respectfully decline to comply with the requirements of said Act, entitled "an act to restore the credit of the State and facilitate the construction of our unfinished Rail Roads," so far as it concerns the bonds delivered to me, as President, in payment of the State's subscription to the Western Rail Road, until a majority of the Stockholders, thereof, shall direct me to do so.

While I thus decline to comply with the requirements of the said Act, I am ready to account *fully, with the Stockholders of the Western Rail Road for every bond delivered to me by the Public Treasurer for their Road*, and will, at all times, make to *them*, a full and fair exhibit of all of my actings and doings as President of their Road.

Very respectfully, your obedient servant,

A. J. JONES,
President Western Rail Road.

STATE OF NORTH CAROLINA,
WAKE COUNTY.

Personally appeared before me, W. H. Harrison an acting Justice of the Peace, for said County, A. J. Jones, who makes oath that the foregoing statement is true to the best of his knowledge and belief.

A. J. JONES.

Sworn to and subscribed before me this 2nd of March, 1870.

W. H. HARRISON, J. P.

[“Copy.”]

STATE OF NORTH CAROLINA,
DEPART. PUBLIC WORKS,
Raleigh, March 2d, 1870.

We hereby certify that A. J. Jones, President Western Railroad has reported under an Act, entitled an Act to restore the credit of the State, and facilitate the construction of our unfinished Railroads. Ratified the 5th day of February, A. D., 1870.

Report received this date at 4 o'clock, P. M.

[Signed.]

“

W. W. HOLDEN, Governor,
C. L. HARRIS, Sup. P. Wks.

REPORT OF M. S. LITTLEFIELD, PRESIDENT
WESTERN DIVISION WESTERN NORTH CAR-
OLINA RAILROAD.

*To His Excellency, W. W. HOLDEN, Governor, and Hon.
C. L. HARRIS, Superintendent Public Works :*

GENTLEMEN:—I have the honor to report to you in compliance with the provisions of “An act to restore the credit of the State and to facilitate the construction of our unfinished Railroads.” By the act the information is called for in the following order, viz :

1st. What amount of bonds of the State was received by such President or other officer from the Public Treasurer, or from any predecessor in office of such President or other officer, with the respective dates of such reception.

2nd. What amount of such bonds have been sold, in what markets, and at what prices, with the respective date of such sales.

3d. What amount of such bonds have been or are now hypothecated, to whom so hypothecated, when hypothecated, for what purpose, and what amount of money has been realized by such hypothecation.

4th. What amount of such bonds remain on hand unsold or have been turned over unsold, to any successor of such President or other officer, and whether any interest, and if any, how much has been received by him on any unsold bonds of the State.

1st. What amount of bonds received and from whom ?

I have received no bonds from the State Treasurer or from any other officer. I received orders for bonds from George W. Swepson, late President of the Western Division of the Western North Carolina Railroad Company, one million, nine hundred and nineteen thousand dollars in State bonds as follows :

An order on Messrs. Soutter & Co., Bankers, New

York, directing them to transfer from the account of Geo. W. Swepson, to the account of M. S. Littlefield, President of the Western Division of the Western North Carolina Railroad Company, and which order was accepted by them and the transfer made, \$1,490,000.

An order on the Home Mutual Insurance Company of Raleigh, which order was paid, \$20,000.

Receipt showing bonds in the National Trust Company, New York, which I found to be correct, \$409,000.

All the orders for the bonds were received, save the twenty from the Insurance Company, about the 10th of November, 1869. Not having received a detailed statement of the account of Soutter & Co., I cannot give the exact date. The bonds from the Insurance Company were received March 4th, 1870.

2d. What amount of bonds have been sold ?

I have sold no bonds for the Company.

3d. What amount of bonds have been or are now hypothecated ?

Of the bonds with Messrs. Soutter & Co., one million dollars, (\$1,000,000,) they inform me, had been hypothecated some time previous, by order of Mr. Swepson, for a loan of two hundred and fifty thousand dollars, (250,000.) One-half of the loan was due, and I not having means to pay it, and bonds being so I did not deem it for the interest of the Company or State to sell, hence I obtained an extension of time thirty days, since which I have been informed that the bonds have been sold to pay the loan.

The same is true of the bonds in the National Trust Company. They were hypothecated, but for what amount and for what purpose I cannot tell, as my absence on business for the Company has prevented my getting the account, had it been otherwise, I would have filed a full statement, and which I hope to do in a few days, as I have sent for it and will then file it, and wish it to be regarded as a part of this report when filed. I have, however, been notified by letter that the bonds have been sold and the

proceeds thereof was not sufficient to pay the loan by about ten thousand dollars.

The above bonds were hypothecated by order of my predecessor for moneys advanced, but for what purpose the moneys were used, or the amounts thereof, the accounts in my hands do not state.

The balance of the bonds in the hands of Messrs. Soutter & Co., was held for some moneys of which they were responsible by order of my predecessor; but the amount not being large, they have advanced on the same a further amount to me, which has been expended upon the Road and in paying obligations of the Company. (See exhibit "A" hereto annexed.)

4th. What amount of bonds remain on hand unsold, and what interest has been received and from whom?

There remains on hand unsold and in my possession, bonds of the State of North Carolina, denominated special tax bonds, property of the Western Division of the Western North Carolina Railroad Company to the amount of twenty thousand dollars, (\$20,000.) I have received no interest due upon any bond of the State, or any coupon taken from any bond issued under any authority of law for the Railroad Company.

As soon as I saw the notice to appear and comply with the law, I telegraphed Messrs. Soutter & Co., that I wanted them to send me the bond account of the Western Division of the Western North Carolina Railroad Company and received a reply, of which the following is a true copy:

NEW YORK, February 23, 1870.

M. S. LITTLEFIELD:—Porter will not probably be home sooner than next week, and uncertain then. When he returns, will send you the statement you request.

SOUTTER & CO.

I will report further under the bond account, that Mr. Swepson has reported fifty-five State bonds in the hands

of Henry Clews & Co., New York, property of the Company, but as I have not secured possession of them, I do not take them upon my account, and for the further reason that they are held for a much larger amount than the bonds will bring, and to redeem them will be a loss to the Company of some twenty-five thousand dollars, (\$25,000.)

I am informed that there are some other bonds loaned out, which have been deposited as margins in the city of New York, held by L. P. Bayne & Co., and others, amounting to one hundred and ninety-two thousand dollars, (\$192,000.) It is a matter of great doubt whether any thing will be realized from these, as the depreciation of the bonds have been such as to wipe out all margins deposited, to carry North Carolina bonds.

I have thus far complied with the act and my report could stop, but I deem it in justice to all parties and to the people, that I should go further and give a full statement of all the facts in relation to the financial condition of the Road, in my possession, hence I report upon the papers I have received from my predecessor, and also file herewith a copy of each.

REPORT OF BOND SOLD BY GEORGE W. SWEPPSON.

The sale of bonds by my predecessor, as reported by him amounts to three million one hundred and thirty-two thousand dollars, (\$3,132,000,) and the prices range from 62 1-2 down to 43 cents.

The statements in his account which he reports as a transcript from Soutter & Co's. books of the sale, is not a correct statement of the sale of bonds of the Road, as the bankers, while selling, to keep up the price and sustain the market, frequently purchased bonds, and there is no discrimination between the bonds of the Company and the bonds purchased. The amount of bonds reported as received from the State is six million three hundred and sixty-seven thousand dollars, (\$6,37,000.

SUMMARY STATEMENT.

Bonds received from the State,	\$6,367,000
Turned over to me in orders,	\$1,919,000
Reported with H. Clews & Co.,	
and others,	55,000
Reported with L. P. Bayne &	
Co., and others,	192,000
Sold as reported,	3,132,000
	<hr/>
	5,298,000
Unaccounted for,	\$1,069,000

STATEMENT OF CASH.

Balance due as per schedule "B" attached,	\$1,502,135 70
Cash received on loan,	250,000
Cash received from Henry Clews & Co.,	40,000
Cash received July 27,	10,000
Cash received Aug. 17,	5,000
Cash received Sept. 17,	1,000
	<hr/>
Total,	\$1,803,635 70

DISBURSEMENTS.

As per exhibit "C."	\$ 251,734 80
Transferred to President,	18,925 83
Investments in Railroad bonds,	726,281 89
Paid acceptances,	9,000 00
Paid contractors,	10,446 09
Investments in Railroad bonds,	146,900
Investments reported as made under a resolution of Board of Directors, but not yet allowed by the Company,	172,249 96
Disbursements, [acc't not approved,	241,713 41
	<hr/>
Total,	\$1,577,251 98
Balance due Company,	\$ 226,383 72

In the above statement it will be seen that no account has been rendered of the bonds hypothecated in the Trust Company, for the reason I have^s been unable, in the short time allowed me to reach Raleigh and make this report, to get the detailed account from the Company, but I know, of my own knowledge, that the following sum of money has been disbursed to protect investments already made from that account, by my predecessor in office, viz : \$117,351 50.

COLLATERALS.

At a meeting of the Board of Directors at Asheville, N. C., some time last summer, A. T. Davidson, one of the Directors, presiding, a resolution was passed authorizing the President to sell the State bonds and invest the proceeds as he thought best. Under this resolution the late President sold State bonds and invested the proceeds in various collaterals, most of which are available ; but a few of them however, have come into the possession of the Company, owing to legal embarrassments which have been thrown around them ; but I am pleased to state that those difficulties haveⁿ now been rumored, and the Company will receive them at no distant day.

Those which have been accepted and are available, were deposited in the banking house of Soutter & Co., in New York, by the late President, and valued at one hundred and forty-six thousand nine hundred dollars, [\$146,900.00] and are now pledged to pay contractors for estimates now due, and other indebtedness of the Company. Hence, I have no moneys or securities, save the twenty thousand dollars (\$20,000.00) in State Bonds, mentioned above, in my possession, or under my control, nor have I had any of said collaterals, only as herein stated, either before or since I was elected President of the Company.

In conclusion, I wish to say a word in my own defence, also that justice may be done my predecessor as to the

cause of the delay in making my report to the Company, and the reason which prevented my presence in the State for the last two months.

I was elected President the 13th of October last. By an order of the Board of Directors, I proceeded to New York in company with several officers of the Company, to settle with the out-going President, and receive the funds of the Company.

We reached New York about the 23d of the month, and remained there several weeks, waiting for Mr. Swepson to have the account made up with which to settle. Finally, the time arrived when my presence was required in the South, to protect the interest of the Company.

No report having been made, and as the late President reported in writing, he "lacked vouchers and papers to enable him to make a full and final settlement," it was agreed that he should turn over what he then had, and the settlement should be completed when I returned—he agreeing to raise the funds on collateral then in the hands of Soutter & Co., to pay the contractors during my absence.

We were prevented from meeting again, until within the last few days, hence we have had no time to complete the report.

On the 24th of February, 1870, I sent a communication to Geo. W. Swepson, late President, calling upon him to make immediately a report, and notifying him that I should proceed immediately to Raleigh to comply with the recent Act of the Legislature. He replied by letter on the 25th inst., (copy attached marked "D,") in which he said: "I hope you will not fail to reach Raleigh Saturday night; I will report to you as soon as I can possibly do so, after reaching Raleigh." He came, but has made no report.

I have thus given as fully and completely the statement of the financial condition of our Road, with the limited time and the means at my command, as possible.

No statement have I made herein but what will be borne out by the record, and all statements in relation to the account of money and bonds, will be fully corroborated by an examination of the books of Messrs. Soutter & Co., L. P. Bayne & Co., Henry Clews & Co., and the National Trust Company in the city of New York.

An account of the business done with each of these Houses will be filed with these papers at as early a day as they can be procured.

Should you want any additional information upon any of the points, I shall be ready at all times, and most happy to give it.

I have the honor to be, gentlemen,

Very respectfully,

Your obedient servant,

M. S. LITTLEFIELD,

Pres. W. D. W. N. C. R. R.

I certify that, to the best of my knowledge and belief, the foregoing is a true return of the matters and things required from me by virtue of the provisions of "An Act to restore the credit of the State and facilitate the construction of our unfinished Railroads," ratified the 5th of February, A. D. 1870.

M. S. LITTLEFIELD,

Pres. W. D. W. N. C. R. R. Com.

Sworn and subscribed to before me this 4th day of March, A. D. 1870.

C. M. FARRISS, Jus. of the Peace.

SCHEDULE "A."

1869.	NO.		
Nov. 12	1	G. M. Roberts, Sec. and Treas.	\$40,000 00
Oct. 14	2	Williams Brown, Contractor,	1,384 94
" 13	3	M. J. Fagg, "	4,976 00
" 14	4	E. Clayton, "	11,699 31
" 14	5	J. P. Kennedy, "	1,076 02
" 15	6	Phillip Roho, "	4,042 80
" 15	7	G. W. Swepson, late President	3,000 00
Nov. 8	8	G. M. Roberts, Sec. and Treas.	10,000 00
" 9	9	J. L. Offitt, Contractor,	456 12
Oct. 15	10	J. C. Turner, Chief Engineer,	285 00
" 11	11	G. M. Roberts, Sec. and Treas.	1,000 00
" 14	12	" " "	500 00
" 13	13	" " "	1,000 00
" 14	14	Rankins, Son & Co., Contractors,	900 00
" 14	15	" "	583 37
" 14	16	Edward Vicors & Co., "	2,216 81
" 14	17	Thomas Seers, "	2,357 87
" 14	18	Pryde and Bibb, "	1,240 92
" 14	19	J. B. Neely, "	1,170 82
" 14	20	" "	459 97
" 14	21	J. L. Offitt, "	1,052 20
Nov. 6	22	W. Ames, "	300 00
" 6	23	A. T. Davidson, Attorney,	100 00
Oct 15	24	J. C. Turner, Chief Engineer,	100 00
" 16	25	" "	285 00
" 15	26	R. M. Henry, Attorney,	100 00
" 16	27	J. D. Morgan, for Commissions,	100 00
" 2	28	H. P. Wilson, for Services,	1,100 00
" 29	29	G. M. Roberts, Sec. and Treas.	2,834 00
" 14	30	" "	3,000 00
Nov. 20	31	W. Ames, Contractor,	2,250 00
" 11	32	" "	10,000 00
" 9	33	J. C. Turner, Chief Engineer,	2,300 00

SCHEDULE "B."

*Western Division W. N. C. R. R. Company in Account with
G. W. Swepson.*

1869.		days			
Jan. 11	To balance of account,	170	\$ 3 70	\$	10
" 23	Express,	158	100		3 07
	Cash,	158	4 82		15
" 25	Express,	156	100		3 03
	Telegrams,	156	9		27
" 28	Express,	153	50		1 48
Feb. 1	Express,	149	50		1 44
" 3	Com. on 121 bonds delivered,	147	151 25		4 30
4	24 N. C. new, 60c. \$ 14,400				
5	" 61½c. 3,075				
5	" 3,093 75				
	Com:— 42 50	146			
			20,611 25		585 12
1 9	N. C. new, 61½c.	149	5,546 25		160 67
8	Express,	142	66 70		1 85
9 2	coupons off 4 bonds,	141	60		1 64
52½	" 105 "	141	1,575		43 17
15	" 30 "	141	450		12 33
10	Express,	140	33 50		90
11	5,000 N. C. new, 62c. \$ 3,100	139			
	Com:— 6 25				
	Express, 33 50	139			
			3,139 75		84 84
12	24 coupons off 48 bonds	138	720		19 34
	Com:—4,000,000,	138	10,000		268 33
13	10,000 N. C. new, 61½c. 6,150				
	Com:— 12 50	137			
			6,162 50		164 14
	37,000 N. C. new, 62c.	137	22,940		611 09
	Com:—	137	46 25		1 22
18	98 coupons off 196 bonds,	132	2,940		75 45
19	7,000 N. C. new, 59¼c.	131	4,147 50		105 62
	Com:—	131	8 75		23
	75,000 N. C. new 59,	131	44,250		1,127 14
	Com:—	131	93 75		2 40
	125 coupons off 250 bonds,	131	3,750		95 51
20	To deposit 50,000 N. C., new, 10 per ct,	130	5,000		126 38
	50,000 N. C., new, 58½,	130	29,250		739 37
	Commissions,	130	62 50		1 56
	75 coupons off 150 bonds,	130	2,250		56 87
24	25,000 N. C., new, 59½,	126	14,875		364 44
	Commissions,	126	31 25		75
	25 coupons off 50 bonds,	126	750		18 37
25	Express,	125	67		1 63
26	1,000 N. C. 60¼,	124			
	10,000 N. C. 60½,	124			
	5,000 N. C. 60¼,	124			
	Commissions, 20	124			
			9,672 50		233 19
Mar. 1	3,000 N. C., 60,				
	10,000 N. C. 60½,				
	1,000 do. 60,				
	Commissions, 17 50				
	15 coupons off 300 bonds, 450	121			
			8,880		208 92

"B"—Continued.

Western Division Western North Carolina Railroad.

Mar. 3	40,000 N. C. new 59½,	23,800			
	Commissions,	50			
	10,000 N. C. new, 60,	6,000			
	Commissions,	12 50	119		
				29,862 50	690 98
5	20,000 N. C. new, 59,		117	11,800	268 45
	Commissions,		117	25	57
6	25 coupons off 50 bonds,		116	750	16 90
10	10,000 N. C. new, 59½,		112	5,975	130 11
	Commissions,		112	12 50	26
11	50 coupons wanting,		111	1,500	32 37
	75 do. do.		111	2,250	48 55
	15,000 N. C. new, 59½,		111	8,962 50	193 43
	Commissions,		111	18 75	41
12	Telegram,		110	4 50	08
17	40 coupons,		105	1,200	24 50
27	12½ coupons,		95	375	6 92
31	60 coupons,		91	1,800	31 85
April 1	100 "		90	3,000	52 50
2	5,000 new 54½,		89	2,725	47 15
	Commissions,		89	6 25	10
	50 coupons,		89	1,500	25 95
3	40,000 N. C. 52½,		88	21,000	359 33
	10,000 N. C., 51½,		88	5,187 50	88 75
	Commission,		88	62 50	1 06
5	2,000 N. C. 56,		86	1,120	18 72
	Commission,		86	2 50	03
	10,000 N. C. 56½,		86	5,650	94 48
	Commission,		86	12 50	20
7	5 coupons,		84	150	2 44
8	Express,		83	75	1 21
10	25 coupons,		81	753	11 80
13	25 coupons,		78	750	11 36
May 10	G. M. Roberts, Treasurer,		51	2,834	28 09
June 5	Express,		25	67	16
18	"		12	62 50	14
21	"		9	42	07
July 7	65 coupons wanting,		89	1,950	33 74
17	75 " "		79	2,250	34 56
	Over credit May 27th, on 52 N. C. bonds,		130	520	13 14
22	Attorneys in Raleigh,		74	2,000	28 77
	¼ commission bonds on stock exchange,		74	7,500	107 91
23	162½ coupons,		73	4,875	69 19
	Commission on 185 bonds,		73	106 25	1 49
24	Telegrams,		72	10	14
	Commission on bonds 100,		72	125	1 75
28	Telegram,		68	20	26
	225 bonds, coupons wanting,		68	4,575	60 50
	Coupons wanting on bonds,		68	5,550	73 38
Aug. 3	Attorney's establishing validity of bonds,		62	12,500	150 69
5	Telegram,		60	4 19	05
9	40x15 coupons wanting,		56	600	6 53
10	20x15 " "		55	300	3 20
16	50x15 " "		49	750	7 14
	100x15 " "		49	1,500	14 29
19	100x15 " " 2 \$45,		46	1,590	14 21
	150x15		46	2,250	20 12
30	250x15,		45	3,750	32 '81

"B"—Continued.

Western Division Western North Carolina Railroad.

Aug. 25	100 coupons, \$15, 29 by \$45,	40	2,805	21 81
31	Expenses establishing bonds, etc.,	34	6,750	44 62
Sept. 2	Commission on sale of bonds,	32	311 69	1 93
	Commission on 1 N. C., August 30,		1 31	
Oct. 1	10,000 N. C. new cash, Sept. 7,	3	4,709	2 76
4	Express omitted December, 1868,		25	
	To balance due,		1,502,135 70	744 49
			1,569,463 14	
869.				CR.
Oct. 15	Check M. S. Littlefield, President,		285	
Nov. 3	Draft " " " "		1,000	
	" " " " " "		1,000	
4	" " " " " "		500	
	" " " " " "		500	
Jan. 21	By 50,000 N. C. 62,	160	30,934 40	962 38
22	By 30,000 " 61,	159	18,260 67	564 53
	By 2,000 " 61½, 1,230			
	By 4,000 " 61, 2,440			
	By 1,000 " 61½, 615			
	By 5,000 " 61½, 3,062 50			
	By 3,000 " 61½, 1,845			
	By 10,000 " 61½, 6,150			
	By 3,000 " 62, 1,860			
	By 1,000 " 62, 620			
	By 5,000 " 61, 3,075			
	By 10,000 " 61, 6,100			
	By 5,000 " 61, 3,050			
	By 1,000 " 61, 610			
	By 10,000 " 61, 6,100			
	By 5,000 " 61½, 3,075			
	\$39,832 50			
	Less com., \$81 25,			
	tax, 4 05, 85 30	159	39,747 20	1,228 84
23	By 10,000 N. C. new 61½,	158	6,136 88	188 50
	By 5,000 " " 61½ \$ 3,068 44	158		
	By 3,000 " " 62½ 1,867 31	158		
	By 5,000 " " 61 3,043 44	158		
25	By 3,000 " " 61 1,826 06	156		
	By 20,000 " " 61 12,173 78	156		
	By 10,000 " " 61½ 6,124 38	156		
			28,103 41	185 75
Feb. 6	By 10,000 " " 61	144	6,086 89	170 40
9	By 20,000 " " 61½,	141	12,223 76	335 11
	By 10,000 " " 61½,	139	6,061 88	168 91
10	By 55,000 " " 61½,	140	33,615 35	515 07
	By 10,000 " " 62½,	139	6,211 87	167 87
	By 20,000 " " 62,	139	12,373 76	334 41
	By 20,000 " " 61½,	138	12,323 76	330 66
	By 3,000 " " 62,	138	1,856 06	49 80
13	By 10,000 " " 61½, \$ 6,162 63	137		
	By 9,000 " " 61½, 5,511 19	137		
			11,673	304 63
	By 1,000 " " 61 5-8, 614 93			
	By 25,000 " " 61½, 15,279 71	137		
			15,894 64	429 74

"B"—Continued.

Western Division Western N. C. Railroad Co.

1869.							
Feb. 13	By	5,000 N. C. new	61½	3,068 44			
	By	1,000 " "	61½	613 68	135	3,682 12	96 66
	By	38,000 " "	61	23,130 18			
	By	10,000 " "	60½	6,074 39	135	29,204 57	766 60
							79 28
16	By	5,000 " "	61		134	3,043 44	
18	By	5,000 " "	61	3,043 44			
	By	50,000 " "	60	29,934 50			
	By	5,000 " "	59½	2,987 20			
	By	75,000 " "	59	44,151 82			
	By	2,000 " "	59½	1,294 88	132	81,311 84	2,086 98
19	By	25,000 " "	59	14,717 27			
	By	10,000 " "	58½	5,836 91			
	By	7,000 " "	59½	4,155 83			
	By	10,000 " "	59½	5,961 90			
	By	4,000 " "	59½	2,379 76	131	33,051 67	841 88
20	By	15,000 " "	59	8,830 36			
	By	10,000 " "	58½	5,861 91			
	By	60,000 " "	58½	34,871 50			
	By	15,000 " "	58½	8,755 37			
	By	42,000 N. C. new	58½	24,515 04	130	82,834 18	2,093 86
25	By	25,000 " "	59		125	14,717 27	357 70
27	By	10,000 " "	60½		123	6,036 86	144 36
Mar. 1	By	10,000 " "	60½		121	6,036 86	142
	By	31,000 " "	60½	18 636 86			
	By	11,000 " "	60	6,585 59			
	By	100,000 " "	60	59,869 00	121	85,091 45	2,002 01
	By	10,000 " "	60	5,986 90			
	By	25,000 " "	59½	14,936			
	By	73,000 " "	60	43,704	120	64,627 27	1,507 96
3	By	100,000 " "	59	58,869 10			
	By	10,000 " "	59½	5,936 90			
20	By	20,000 " "	59½	11,823 81	119	76,629 81	1,773 11
	By	5,000 " "	59½	2,980 95			
	By	5,000 " "	59½	2,968 45	119	5,949 40	137 64
4	By	3,000 " "	59½		118	1,773 57	40 67
	By	60,000 " "	59		118	35,321 46	810 42
	By	1,000 " "	59		118	588 69	13 48
8	By	14,000 " "	58		114	8,101 68	179 57
10	By	10,000 " "	60		112	5,986 90	130 35
	By	16,000 " "	59½		112	9,499 04	206 86
11	By	10,000 " "	59½		111	5,911 90	127 58
	By	90,000 " "	59½		111	53,657 12	1,158 10
Mar 12	By	40,000 " "	59½		110	23,797 61	1,508 98
13	By	15,000 " "	59½		109	8,952 85	189 52
	By	10,000 " "	59½		109	5,886 91	124 74
15	By	22,000 " "	59		107	12,950 21	269 45
	By	15,000 " "	59		107	8,830 30	193 70
	By	5,000 " "	59½		107	2,955 95	61 47
	By	1,000 " "	59		107	588 69	12 23
17	By	65,000 " "	58		105	37,614 98	767 95

SCHEDULE "B"—Continued.

Western Division Western N. C. Railroad.

	20	By 50M.	"	"	58½,		102	29,325 89	581 62
		Deposit 50M. N. C.					102	5,015 55	99 46
	31	By 10M. N. C. new,			57½,	5,736 92			
		By 31M.	"	"	57½,	17,706 97			
		By 49M.	"	"	57,	27,865 95			
		By 20M.	"	"	59,	11,373 86	91		
								62,683 70	1,109 40
April	2	By 10M.	"	"	57½,		89	5,736 92	99 26
	3	By 11M.	"	"	52½,		88	5,719 42	97 85
	5	By 25M.	"	"	58 and int. 72½,		86	14,539 79	243 12
	7	By 359M.	"	"	52,		84	186,212 58	3,041 45
	8	By 5M.	"	"	53½,		83	2,668 48	43 05
	27	By 52M.	"	"	55,		34	28,532 14	188 62
					Interest balance,			22,009 74	
					Total,				29,324 97
								1,318,674 21	
					By balance forwarded,				
								1,011,293 49	18,874 25
Ju'y	1	By 15M. N. C. new,			47½,	7,162 50			
		By 25M.	"	"	47½,	11,875			
		By 20M.	"	"	47,	9,400			
		By 5M.	"	"	46½,	2,325			
		By 15M.	"	"	46½,	6,956 25			
		By 15M.	"	"	46,	6,900			
		By 5M.	"	"	45½,	2,275			
		By 10M.	"	"	52½,	5,242 07			
		By 20M.	"	"	52½a½	10,036 33	90		
								62,172 25	1,088 01
	9	By 20M.	"	"	49½,	9,933 95			
		By 12M.	"	"	43½,	5,354 46	87		
								15,288 41	258 62
	12	By 10M.	"	"	43,	4,287 07			
		By 5M.	"	"	52,	2,597 81	84		
								6,884 88	112 43
	30	By 1M.	"	"			34	560	3 80
Sep. 14		By 10M.	"	"	47,			4,687 03	18 22
Oct. 1		By 1,000,000			45,	450,000			
		Less com. and tax,				1,295	3		
								448,705	261 74
					Interest balance,			19,872 08	20,617 07
								1,569,463 14	
					Balance due,			1,502,135 70	

SCHEDULE "C"

Western Division Western N. C., Railroad.

			Interest
1868.			
Oct. 17	To A. W. Woodfin,	12	96
19	To R. M. Henry,	100	8
	To J. C. Turner, Chief Engineer,	200	16
	To " " " "	169 63	13 57
22	To " " " "	168	13 44
27	To Raleigh Sentinel,	20	1 57
	To J. C. Turner, Chief Engineer,	190	
	To " " " "	150	26 67
29	To " " " "	150	
	To Keen & Haggerty,	34 50	14 39
30	To Telegram to Chief Engineer,	1 25	07
Nov. 13	To Asheville Pioneer,	13 50	1
16	To J. C. Turner, Chief Engineer,	316 50	
	To " " " "	150	
	To Check Book and Revenue stamps,	2 25	34 69
20	To Alexander, Roberts & Co.,	1,420 79	104 21
26	To J. C. Turner, Chief Engineer,	125	8 97
	To " " " "	315	22 47
Dec. 12	To W. Ames, Agent,	200	13 63
18	To J. C. Turner, Chief Engineer,	175	11 66
19	To certified copy of Rail Road bill,	5	
	To " " " "	25	2
28	To J. C. Turner, Chief Engineer,	200	12 98
1869.			
Jan. 2	To J. C. Turner, Chief Engineer,	140	
4	To " " " "	90 10	
	To " " " "	104	
	To " " " "	164	22 75
18	To " " " "	200	12 10
22	To Express freight on bonds from N. York,	125	7 45
25	To J. C. Turner, Chief Engineer,	101	5 95
27	To " " " "	100	5 85
28	To Fowle and Badger, Attorneys,	250	14 55
29	To George Z. French,	60	3 48
Feb. 1	To J. C. Turner, Chief Engineer,	50	2 94
	To " " " "	100	5 89
	To " " " "	156 95	9 07
8	To Telegrams to date,	46 51	2 60
17	To J. C. Turner, Chief Engineer,	200	10 60
19	To " " " "	50	2 67
M'ch 5	To telegrams to date,	20 92	
	To Alexander, Roberts & Co.,	3,903 72	196 25
6	To J. C. Turner, Chief Engineer,	115	5 75
8	To Raleigh Sentinel,	20	88
13	To J. C. Turner, Chief Engineer,	122 85	5 93
April 1	To Asheville Pioneer,	10	
	To J. C. Turner, Chief Engineer,	69	
2	To Secretary of State for certified copies,	12	3 51
	To W. F. Askew & Co.,	650	29 15
3	To J. C. Turner, Chief Engineer,	200	8 76
6	To " " " "	200	8 62
9	To W. H. Higden,	54	2 29
10	To J. C. Turner, Chief Engineer,	133	
	To " " " "	225	

SCHEDULE "C."—(Continued.)

Western Division Western North Carolina Railroad

1869.				
Apr. 10	To T. L. Clingman,	24		
	To R. M. Henry,	54		
	To J. R. Ammons,	54		
	To W. W. Rollins,	32	80	
	To G. M. Roberts, Treasurer,	800		55 85
12	To " " " "	800		
	To G. W. Gahagan,	40		
	To J. B. Neathery & Co.,	20		35 93
14	To Revenue Stamps,	2		08
17	To J. C. Turner, Chief Engineer,	50		2
27	To " " " "	121	50	
23	To " " " "	100		
	To G. M. Roberts,	24		
	To J. C. Turner, Chief Engineer,	124		
22	To " " " "	150		20 45
5	To " " " "	734		
	To " " " "	100		
	To " " " "	2,000		103 92
6	To G. W. Dickey,	78	40	2 77
8	To Raleigh Sentinel,	8		30
11	To J. C. Turner, Chief Engineer,	3,000		6 5
	To " " " "	500		123 67
12	To " " " "	100		
	To " " " "	100		6 30
14	To Check Book and Stamps,	6	25	20
18	To Asheville Pioneer,	3		10
24	To Western Union Telegraph Co.,	23	98	
	To J. C. Turner, Chief Engineer,	93	50	3 80
28	To " " " "	42	96	1 36
June 2	To Telegrams,	4		
	To Phillips & Merrimon,	500		
	To A. S. Merrimon,	500		
	To Kemp P. Battle,	500		46 12
5	To Express Freight on Bonds,	100		3
15	To G. M. Roberts, Secretary and Treas'r,	1,000		
	To " " " "	500		41 67
19	To Western Union Telegraph Co.,	12	38	32
22	To J. C. Turner, Chief Engineer,	1,000		26 66
24	To Asheville Pioneer,	10		25
27	To Express Freight on Bonds,	80		2
July 1	To J. C. Turner, Chief Engineer,	201	16	
	To " " " "	93	75	
	To " " " "	58	50	
	To James H. Harden, Clerk,	35		
	To J. C. Turner, Chief Engineer,	216	37	
	To " " " "	248	42	
	To " " " "	290	65	
	To Pub. Treas., ac. int. on bonds to date of del.,	13,333	33	353 89
3	To Express Freight on Bonds,	12	50	29
6	To E. Clayton,	10,500		242 67
7	To J. C. Turner, Chief Engineer,	400		
	To " " " "	200		13 73
13	To " " " "	30		
15	To " " " "	100		2 60

SCHEDULE "C"—Continued.

Western Division Western N. C. Railroad.

1869.			Interest
July 3	To G. M. Roberts, Treas.,	9,000	166
16	To John Armstrong,	51	
	To J. C. Turner, Chief Engineer,	100	3 16
17	To Express freight,	25	50
19	To J. C. Turner, Chief Engineer,	425	8 50
21	To West. Union Telegraph Company,	67 34	1 32
23	" " " "	23 34	44
26	To J. C. Turner, Chief Engineer,	100	1 87
31	To A. T. Davidson,	24	45
Sept. 2	To E. Clayton, Contractor,	591 85	
	To J. C. Turner, Chief Engineer,	48 33	7 12
13	" " " "	100	82
14	" " " "	19 07	12
24	" " " "	102 36	59
Oct. 1	To G. M. Roberts, Treasurer,	8,000	
2	To Public Treasurer, interest,	90,000	360
5	To Geo. G. Sanborn,	500	1 67
12	To Henry Clews & Co.,	20,000	35 56
15	" " " "	20,000	22 21
1869.	To amount paid Directors, mileage and per diem,		
	To G. W. Gahagan, \$ 66		
	To G. W. Dickey, 172 80		
	To A. T. Davidson, 120		
	To J. R. Ammons, 120		
	To R. M. Henry, 92		
	To W. W. Rollins, 48 40		
	To J. H. Merrimon, 40		
	W. H. Higden, 68		
	To T. L. Clingman, 50		
	To G. M. Roberts, 64		
1869.		841 20	67 30
Oct.	To M. S. Littlefield, Pres't, check on Soutter & Co.,	5,228 83	
	To M. S. Littlefield, check on Jas. T. Soutter,	10,512	
		\$219,138 20	
12	To money advanced J. A. Hunt & Co.,	18,000	
	To " " W. Ames,	14,316 11	
26	To J. Keener, Director,	150	
	To J. R. Ammons, Director	150	
	Total,	\$251,754 31	

BONDS SOLD.

3,000	@ 62 $\frac{3}{8}$	1,871 25
10,000	" 62 $\frac{1}{4}$	6,225
77,000	" 62	47,740
151,000	" 61	92,110
37,000	" 61 $\frac{1}{2}$	22,755
110,000	" 61 $\frac{1}{4}$	67,375
40,000	" 61 $\frac{3}{4}$	24,700
19,000	" 61 $\frac{3}{8}$	11,661 25
38,000	" 59 $\frac{1}{4}$	22,551
1,000	" 61 $\frac{5}{8}$	616 25
10,000	" 60 $\frac{7}{8}$	6,087 50
254,000	" 60	152,400
32,000	" 59 $\frac{7}{8}$	19,160
38,000	" 59 $\frac{1}{2}$	22,610
359,000	" 59	211,810
120,000	" 59 $\frac{3}{4}$	70,980
44,000	" 59 $\frac{5}{8}$	26,235
10,000	" 58 $\frac{3}{8}$	5,803 75
31,000	" 60 $\frac{1}{4}$	18,987 50
20,000	" 60 $\frac{1}{2}$	12,100
60,000	" 58 $\frac{1}{4}$	34,950
117,000	" 58 $\frac{1}{2}$	68,445
104,000	" 58	60,320
20,000	" 57 $\frac{1}{2}$	11,500
31,000	" 57 $\frac{1}{4}$	17,747 50
49,000	" 57	27,930
11,000	" 52 $\frac{1}{8}$	5,733 75
364,000	" 52	189,280
5,000	" 53 $\frac{1}{2}$	2,675
52,000	" 55	28,600
20,000	" 49 $\frac{3}{4}$	9,950
30,000	" 52 $\frac{1}{2}$	15,750
1,000	" 56	560
15,000	" 43 $\frac{3}{4}$	6,562 50
25,000	" 47 $\frac{1}{2}$	11,875
30,000	" 47	14,100
5,000	" 46 $\frac{1}{2}$	2,375
15,000	" 46 $\frac{3}{8}$	6,956 25
15,000	" 46	6,900
5,000	" 45 $\frac{1}{2}$	2,275
12,000	" 44 $\frac{3}{4}$	5,370
10,000	" 43	4,300
1,000,000	" 45	450,000
3,400,000	Total,	\$1,827,933 50

RECAPITULATION.

Whole number of Bonds sold,	- - -	3,400
Highest price received, -	- - -	62 $\frac{3}{8}$ c.
Lowest price received, -	- - -	43 c.
Average price, -	- - -	53 $\frac{3}{4}$ c.

[“COPY.”]

STATE OF NORTH CAROLINA,

RALEIGH, March 4th, 1870.

We hereby certify that Milton S. Littlefield, President of the Western Division of the Western North Carolina Railroad has reported in compliance with an Act entitled “An Act to restore the credit of the State, and facilitate the construction of our unfinished Railroads,” ratified on the 5th day of February, A. D. 1870.

(Signed,) W. W. HOLDEN, Governor.

(Signed,) C. L. HARRIS, Supt. P. W.

Received at 11 o'clock, A. M.

— —

RALEIGH, N. C., March 7th, 1870.

To His Excellency, the Governor, and Superintendent of Public Works :

GENTLEMEN :—In conformity to the provisions of an Act of the Legislature, ratified the 5th day of February, 1870, the undersigned respectfully submits the following report :

The information required by the Act will be found embodied in the following copy of the report of the Agent and Attorney of the Company :

CHARLOTTE, N. C., Feb. 21st, 1870.

Col. W. JOHNSTON, President of the Atlantic, Tennessee & Ohio Rail Road Company in North Carolina.

DEAR SIR :—As Attorney of the A., T. & O. R. R. Co. in N. C., I secured on the 14th day of September, 1869, seventeen hundred and sixty bonds of the State of North Carolina issued to your Company of the denomination of one thousand dollars each and of date April 1st, 1869.

As Attorney of the Company I paid one hundred and sixty-three bonds to compromise the suit of one Kehoe in the form of an injunction against the Company and the Public Treasurer preventing the issuing of the bonds. All the other bonds secured were immediately carried to New York and the Stock Board of that City requested to make them a good delivery on the Board. This request was refused, and owing thereto, it was impossible to make any fair disposition of them in market and none have been disposed of except the bonds above alluded to. The bonds are not hypothecated but are on deposit with the Banking Houses of Henry Clews & Co. and Soutter & Co.

Respectfully,

(Signed) R. Y. McADEN, *Attorney.*

The remainder of the bonds, viz: Fifteen hundred and ninety-seven are now tendered the State Treasurer and in his possession. These bonds have all been under the control of the Agent of the Company since their receipt.

He informs me that they were temporarily pledged in New York with the bonds held by other Presidents to guarantee the payment of some interest due by the State, and with the view of sustaining its credit. The undersigned is not aware of any other use or hypothecation of them. No one has ever been sold or parted with otherwise since they came in possession of the Company, nor has the Company ever realized one dollar by the sale or pledge of any one of said bonds.

The undersigned, individually, never owned or had any interest in a State bond directly or indirectly, or in the sale or purchase of one except as a tax-payer.

I have the honor to be very respectfully, your obedient servant,

WM. JOHNSTON,

President, A., T. & O. R. R. Co. in N. C.

Sworn to and subscribed before me,

R. M. PEARSON, C. J.

March 7th, 1870.

[“COPY.”]

STATE OF NORTH CAROLINA,

DEPART. OF PUBLIC WORKS,

Raleigh, March 7th, 1870.

We hereby certify that WM. JOHNSTON, President of the Ohio & Tennessee Rail Road Company has reported in compliance with an Act, entitled an Act, to restore the credit of the State and facilitate the construction of our unfinished Rail Roads. Ratified on the 5th day of Feb., A. D., 1870

(Signed.)

W. W. HOLDEN, Governor.

“

C. L. HARRIS, Sup. P. Wks.

Received at 3 P. M., March 7th, 1870.

WILMINGTON, N. C., March 4th, 1870.*His Excellency*, W. W. HOLDEN:

SIR:—I have the honor to enclose, herewith, to you, and to the Superintendent of Public Works, such accounts as, it appears to me, are required by the Act of the General Assembly with which you furnished me. The *vouchers* have been forwarded to the Committee on the part of the Senate, and will be forwarded to you, also, if you think it necessary. It is my object to make the account full, complete, satisfactory; and I will furnish any farther information, which in your judgement, may be required or desired.

Very respectfully,

Your obedient servant

ROBT. H. COWAN.

STATEMENT,

Made by ROBT. H. COWAN, President of the Wilmington, Charlotte & Rutherford Rail Road Company, of State Bonds received, sold and applied :

150 Bonds in the hands of James T. Soutter, deposited with him by H. W. Guion, Pres., in 1861,	\$150,000
430 Bonds received from Public Treasurer under Act of Gen'al Assembly of 1865-'66,	430,000
41 Bonds received from Public Treasurer for Coupons funded,	41,000
621 Bonds	\$621,000
PER CONTRA.	
404 Bonds sold by James T. Soutter and applied to account (with interest) for iron, chairs and spikes, &c., contracted before the war,	\$254,246 94
2 Bonds paid John F. Hoke, for graduation in settlement at par,	2,000
145 Bonds paid Duncan, Shearman & Co., and James Tinker, of New York, Company's notes (with interest) given for iron before the war, at 70 cents,	101,500
20 Bonds paid Richard Norris & Sons, Philadelphia, for engine, Mecklenburg, at 85 cents,	17,000
28 Bonds paid Union Car Works for account (with interest) for equipment contracted before the war,	17,086 65
22 Bonds sold by James Dawson, Banker, and disbursed in Treasurer' general act.,	13,323 60
621 Bonds averaging between 65 and 66 cts.,	\$405,157 19

ROBT. H. COWAN.

WILMINGTON, N. C., March 4, 1870.

STATEMENT—(Continued.)

1,000 Bonds received of Public Treasurer under Acts of General Assembly, ratified January 29th and April 5th, 1869, of which 970 were sold by Soutter & Co., of New York, for	\$ 436,988	84
There was interest balance in Company's favor, as per their account current, of	508	42
Making,	\$ 437,497	26
. PER CONTRA.		
Paid Company's notes giving partly in payment of old accounts, but principally in reconstruction of the Road after the war, as follows :		
One note of March 25th, 1867,	60,000	
One of July 9th, 1867,	60,000	
One of August 3rd, 1867,	30,000	
One of August 14, 1867,	30,000	
Paid different disbursing Agents of the Company and accounted for by them as follows :		
J. T. Alderman, Treas. E. D.,	117,826	73
V. A. McBee, Treas. W. D.,	69,111	63
H. W. Guion, Attorney,	3,255	10
Cash paid Public Treasurer, expired interest \$2,500 in State Coupons which cost	1,250	
Pad commission for placing 4,000,000 Bonds on Stock List,	10,000	
Paid interest on Company's 1st Mortgage Bonds,	56,053	80
	\$ 437,497	26

This leaves 30 Bonds in the hands of Soutter & Co., of New York, which are yet to be accounted for. The vouchers, accounts, sales, &c., showing the details of the above Statements have been handed in by order to the Investigating Committee appointed by the General Assembly.

ROBT. H. COWAN.

March 4th, 1870.

WILMINGTON, N. C., March 4th, 1870.

Before me, JOHN J. CONOLEY, Justice of the Peace of New Hanover County, State of North Carolina, on this 4th day of March, A. D. 1870, appeared Robt. H. Cowan, and in my presence subscribed the foregoing Statements; and thereupon the said Robert H. Cowan being by me first duly sworn, maketh oath that the facts set forth in said Statements are true to the best of his knowledge and belief.

JOHN J. CONOLEY, J. P.

["Copy."]

STATE OF NORTH CAROLINA,

DEPART. OF PUBLIC WORKS,

Raleigh, March 8th, 1870.

We hereby certify that R. H. Cowan, President W., C. & R. R. R. Co., has this day reported under an Act entitled "An Act to restore the credit of the State and facilitate the construction of our unfinished Rail Roads. Ratified Feb. 5th, A. D., 1870.

(Signed.)

W. W. HOLDEN, Governor.

(Signed.)

C. L. HARRIS, Sup. Pub. W.

Report received at 10-30 o'clock, A. M., March 7th, 1870.

To his Excellency, the Governor and the Superintendent of Public Works :

GENTLEMEN : An Act of the Legislature, ratified the 5th day of February, 1870, requires the following statement, which I have the honor to submit :

I have, as President of the Western North Carolina Railroad, received the Bonds of the State of North Carolina, as follows, to wit :

May 20, 1869, through H. C. Cowles, Treas.,	\$340,000.00
June 23, 1869, delivered to myself,	273,000.00
	<hr/>
	\$613,000.00

Of this number, 170 bonds have been disposed of as follows:

July 12, '69, thro' H. C. Clews & Co.	10 m. at 45,	\$	4,037	05
" " " " "	5 " 45 1-2		2,043	52
" " " " "	20 " 45		8,074	10
" " " " "	5 " 45		2,018	52
" " " " "	10 " 45 1-2		4,087	04
" " " " "	10 " 45		4,037	05
" " " " "	10 " 45 1-4		4,062	04
" 18, '70, " Soutter & Co.,	10 " 24		2,387	26
" " " " "	50 " 23 3-4		11,811	31
" " " " "	15 " 24		3,580	89
" " " " "	15 " 23 1-2		3,505	89
" " " " "	10 " 23 1-2		2,362	26
To amount overdrawn at H. Clews & Co.,			17,217	01
" " " Soutter & Co.,			1,069	50
			<hr/>	

Total,	\$ 70,293 44
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I account for this amount as follows:

By paid H. C. Cowles, Treas.,	\$ 65,793 44
By in exchange for full bonds,	4,500 00
	<hr/>

Total,	\$ 70,293 44
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As it will appear by the above statement 443 bonds yet remain to be accounted for, of this number, I have in the hands of H. Clews & Co.,

	\$393,000 00
--	--------------

In the hands of Soutter & Co.,	50,000 00
	<hr/>

Total	\$443,000 00
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In answer to the question, "When and where these bonds, if any, were hypothecated?" I have to say, that they were all placed with H. Clews & Co., for safe keeping, soon after coming into my hands. I was allowed to draw upon this House, from time to time, until, I think, in

October last, when I was informed by them that they did not care to make any further advances upon North Carolina Bonds. It was necessary that I should have money. Soutter & Co. agreed to furnish it on these bonds.

At one time and another, 150 were placed with them, in like manner as with Clews & Co.

According to statement above, 100 of these bonds have been sold by and with the advice of a majority of the Directors of this Company. The balance, 50 in number, remain as security for the amount of money claimed by them (Soutter & Co.) in their letter of refusal, which I inclose with this statement. The remaining 393 bonds are still with Henry Clews & Co., as acknowledged by them in their letter of refusal, and held for the payment of the \$17,000.00 which I owe them, which letter I also inclose with this statement, together with my letters of demand upon them, and upon Soutter & Co. for the bonds.

I am, gentlemen,

Very respectfully,

Your obedient servant,

J. J. MOTT,

No interest received on these bonds from the State.

J. J. MOTT.

Sworn to and subscribed before me the 7th day of March, A. D. 1870.

E. B. STIMSON, J. P.

In addition to the bonds received from Public Treasurer of North Carolina as per within statement, sixty-eight (68) bonds of the State were also received from Col. S. McD. Tate, on the 18th of February, 1869, and on same day paid over to Tredegar Iron Company, Richmond, for 500 tons railroad iron and other supplies. These were \$1,000 bonds, and 60 1-2c. was the price realized for them.

J. J. MOTT.

Sworn to and subscribed before me this the 9th day of March, 1870.

J. M. BROWN, J. P.

BANKING HOUSE OF SOUTTER & CO.,
No. 53, WILLIAM STREET,
NEW YORK, February 26, 1870.

J. J. Mott, Esq., President, etc.:

DEAR SIR: We have your favor, of this date, demanding your bonds, (special tax bonds of N. C.,) to comply with the recent Act of the Legislature of that State. In reply to which, we beg to say that we hold on your account fifty of said bonds, on which we have advanced about one thousand dollars, on payment of which they are subject to your demand.

Yours very truly,

SOUTTER & CO.

BANKING HOUSE OF H. CLEWS & CO.,
32 WALL STREET,
NEW YORK, February 26, 1870.

J. J. Mott, Esq.,

DEAR SIR: In reply to your favor of this date, we beg to say that we hold \$393,000 North Carolina Bonds for your account, as security for our advances to you, amounting to over \$17,000, and therefore decline to give them up.

Yours, etc.,

HENRY CLEWS & CO.

STATE OF NORTH CAROLINA,
RALEIGH, March 11, 1870.

We hereby certify that J. J. Mott, President Eastern Division Western North Carolina Railroad, has reported in compliance with the law, viz.: "An Act entitled an act to restore the credit of the State, and facilitate the construction of our unfinished Railroads," ratified the 5th day of February, A. D. 1870.

(Signed,)

W. W. HOLDEN, Governor.

(Signed,)

C. L. HARRIS, Supt. P. W.

Report received at 10 o'clock, A. M., this date.

OFFICE CHATHAM R. R. COMPANY.

RALEIGH, March 4th, 1870.

His Excellency, W. W. HOLDEN, Governor of North Carolina, and Hon. C. L. HARRIS, Superintendent of Public Works :

SIR:—In compliance with the requirements of “An Act to restore the credit of the State, and facilitate the construction of our unfinished Rail Roads,” I submit the following statement of the Chatham Rail Road Company, showing the amount of bonds received from the State and the disposition of same :

Received Aug. 20th, 1868, from D. A. Jenkins, Public Treasurer, bonds of the State, issued under the act of March 11th, 1868.	1,200 of \$1,000 ea.
Received Oct. 19th, 1868, from D. A. Jenkins, under act of Aug. 15th, 1868,	2,000 of \$1,000 ea.
Total number of bonds received	3,200
By bonds remaining on hand unsold, on special deposit in the Raleigh National Bank,	1,650
By bonds of same issue, hypothecated by J. F. Pickrell & Co., Bankers in New York, on iron account,	48
By bonds sold, per statement below	1,502 3,200

Proceeds of sales of State bonds, as follows:

Sold as per account of J. F. Pickrell & Co.,

N. Y., No. 42, Broadway, Dec. 21st, 1868,

387 bonds, 63, 1 1-2, c., nett, \$238,005 00

1,000 " 61 1-2, 1 1-2, c., nett, 600,000 00

100 " (to Gen. Littlefield, his draft
accepted by J. F. Pickrell
& Co.,) 60,000 00

1,487 bonds Nett, \$898,005 00

Sold as per account of State National Bank

of Raleigh, N. C., May 29th, 1869,

15 bonds, 54 62-100, nett, 8,191 74

Totals 1502 bonds Nett \$906,196 74

Interest and premium received, 29,440 55

Total \$935,637 29

Cr.—By amount paid on account of construction, materials, equipment, engineering and pay of officers and employees,

685,569 47

Balance for cash on hand, March 1st, 1870, \$250,067 82

Consisting as follows:

200 U. S. bonds 5-20, 67 cost, \$222,000 00

Cash certificate in Raleigh

Bank

28,067 82 \$250,067 82

We have completed 30 miles of track, equipped the Road with two first class locomotives, 28 cars—besides hand and section cars—three depots, well and water tanks complete, with wood and material for a year's supply.

We have on hand 16 miles of iron paid for, and not put down, with chairs, spikes and cross ties for several miles of track, and hope to make connection with the Fayetteville road during the present year.

In regard to the bonds of the State issued and still in its possession, the Company waives all right of objection to the direction given in the name of the State for their return to the Treasurer, and hereby complies therewith; as respects the proceeds received, and still in the hands of the Company for such bonds as have been sold, the undersigned begs leave to submit that, they form part of its assets to which various parties who have entered into engagements with it for constructing its road and otherwise, have been led by the Company to look for the satisfaction of their claims.

The Company desires to conform its action to the above requirements of the State, but it is embarrassed by its manifest duty to its creditors. It has been advised by counsel that all of its assets are subject in the first instance, to the demands of its creditors, and that it has no power even with the countenance of an act of Assembly to take any steps which will defeat or diminish the claims that such creditors now have thereto.

Their demands created in 'good faith, and now existing or maturing will exhaust the funds on hand. The undersigned is instructed by the Company, most respectfully to call the attention of the authorities of the State, to the duties devolving on the Company as above set forth.

Respectfully,

W. J. HAWKINS,
President Chatham Railroad Company.

RALEIGH, March 5th, 1870.

Sworn to and subscribed before me this the 5th day of March, 1870.

C. M. FARRISS, Jus. of Peace.